

North Carolina Quality Assessment and Improvement Strategies December 20, 2005 Status Report

I. Process for Quality Strategy Development, Review, and Revision

A. BBA-compliant WellPath (MCO) Contract:

The MCO contract was finalized August, 2003 to include the following BBA-compliant amendments. An extension of the current MCO contract for October 1, 2005 through June 30, 2006 was approved by CMS.

- The Plan must have an overall quality improvement program that is integrated into the Plan's activities and involves key decision-making staff.
- The Plan must submit annual reporting to include a patient and provider satisfaction survey annually, HEDIS data and DMA measures regarding utilization and Plan performance, quarterly complaint and grievances reports, and data for CSHCN.
- The Plan is required to develop and implement a minimum of two performance improvement projects that focus on clinical and non-clinical areas the first year, three projects in year two, and four projects in year three of the contract.
 1. The Plan submitted performance improvement project plans for 4 clinical projects: improving initial health assessment rates, improving lead screening rates, improving adolescent immunization rates, and improving health check screening rates. The results of these projects were reported by June, 30, 2005 when the Plan reports their annual data to the State.

*** See Attachment I – the EQR 2005 Annual Technical Report**

2. The Plan submitted a non-clinical performance improvement project for improving provider satisfaction. Results were reported by June 30, 2005 as required in the MCO contract.

***Please see the MCO contract at**

[Http://www.dhhs.state.nc.us/dma/mc/Finalmco.pdf](http://www.dhhs.state.nc.us/dma/mc/Finalmco.pdf)

B. BBA-compliant Piedmont Behavioral Healthcare (PIHP) Contract:

The PIHP contract was effective April 1, 2005 for a two year period, with an optional one year extension.

- The Plan must have an overall quality improvement program that is integrated into the Plan's activities and involves key decision-making staff.
- The Plan must submit annual reporting to include provider satisfaction survey, HEDIS data and DMA measures regarding utilization and Plan performance, quarterly complaint and grievances reports, and 1915 (c) waiver enrollee data. On August 31, 2005 the PIHP reported a subset of the required performance measures due to having been in operation for only 3 months on June 30, 2005.
- The Plan is required to develop and implement a minimum of two performance improvement projects, one focusing on a clinical area and one non-clinical, during the first year of operation. Three projects are required in year two of the contract and four projects are required in year three. The results of these projects will be reported by July 31st of each calendar year beginning 7/31/06.

1. A required non-clinical performance project for year one of the contract will be the development of an encounter data process that will accurately report services rendered to the enrollees of the PIHP.

2. The clinical performance improvement projects will include the topics on ***Attachment II – PBH’s Performance Improvement Projects**

***Please see Attachment VII - Piedmont Behavioral Healthcare Contract**

C. The third mandatory activity, “Monitoring Medicaid Managed Care Organizations and Prepaid Inpatient Health Plans”, was completed for the MCO in 4th quarter, 2004. The document review and onsite activities were completed by the DMA Managed Care Staff following the CMS protocol. Results of this activity were audited by the current EQR contractor in 2005 and determined to be compliant with the CMS protocol. The State issued a request for proposal for an EQRO in 1st quarter 2005. The EQRO contract for two years with a one year optional extension was awarded to Michigan Peer Review Organization (MPRO), effective April 1, 2005.

*** See Attachment III - EQRO RFP**

D. The State plans to re-evaluate the quality strategy and revise it as necessary in the fourth quarter of each calendar year. The annual review and update of this quality strategy occurred in fourth quarter of 2005 through review of the information contained in this report and the attachments. After review of the strategy, reported performance data, grievance and complaint data, the State’s Quality Management and Program Operations staff determined there was no change needed for 2006.

E. DMA will conduct a PIHP stake holder’s meeting during the calendar year 2006.

II. Managed Care Program Goals and Objectives

The State has held MCO Plan Mobilization Meetings quarterly in Mecklenburg County. Representatives from the DSS, Plan, enrollment broker and the Division attend these meetings to assess the quality and accessibility of services to MCO enrollees. Additionally, the Division’s Managed Care Quality Management section meets quarterly with the QM/UM representatives of the MCO Plan to discuss quality initiatives and progress toward goals.

The Division’s Managed Care Quality Management section also conducts quarterly meetings with the PIHP’s QM staff regarding quality improvement project design and progress, and any other quality related topics of concern.

See Attachments IV - Samples of Agendas and Minutes for Quarterly QM Meetings held with the MCO and the PIHP, and Plan Mobilization Meetings

III. Medicaid Contract Provisions

Contract provisions regarding access to care, accessibility of services, appointment availability and wait times, choice of a health professional, emergency services, structure and operations, or quality measurement and assessment have not been changed except for Sections 1.7, 2.2, 2.3, and Appendix IX, Grievance Procedures, Section C (except for the last two paragraphs). These sections of the MCO contract were amended in April, 2004 to comply with BBA requirements.

***Please see the 2004 MCO contract amendment at**
<http://www.dhhs.state.nc.us/dma/mco/amendmco.pdf>

IV. State Standards for Access to Care

State standards for access to care are covered in the MCO contract sections 6.2, 6.3, 6.4, 6.5, 6.6, 6.8, 6.14, 6.36, 7.6 and Appendix XV.

There has been no change with the MCO contract or state standards regarding access to care since the original strategy was submitted to CMS. However, DMA is in the process of proposing to amend the current MCO contract to reflect an update of the capitated rates and to clarify policy. The sections of the contract to be included in the amendment are: Section 6.14 Case Management for Children with Special Health Care Needs and Section 6.15 New Member Health Assessments.

State standards for access to care are covered in the PIHP contract sections 6.2, 6.3, 6.4, 6.5, 6.6, 6.8, 6.13, 6.22, 7.6, and Attachment U.

V. State Standards for Structure and Operations

There have been no changes to the MCO contract regarding structure and operations of the MCO since the original strategy was submitted to CMS.

Structure and operations requirements are listed in sections 4.1-4.9, 6.11, 7.5, 7.6, 7.7, 8.2, 12.1, Appendix V and Appendix IX (amended).

Structure and operations requirements for the PIHP are listed in contract sections 4.1-4.8, 6.10, 6.11, 7.5, 7.6, 7.7, 8.3, 11.1, Attachment N, and Attachment P.

VI. State Standards for Quality Measurement and Improvement

1. Practice guideline requirements were assessed as part of the mandatory external quality review. Policy and procedures adopted by the Plan to develop appropriate practice parameters are compliant with Section 7.1 of the MCO contract and the PIHP contract.
2. The quality assessment and performance improvement program is included in Section 7.1 and Appendix XVII of the MCO contract and Attachment O of the PIHP contract.
3. The MCO contract states in Appendix V the statistical reporting requirements for the Plan which are due by June 30th of each calendar year of the contract.

The reporting includes HEDIS measures, CAHPS survey for children and adults, and measures developed by the Division to assess Plan performance. The annual reports are reviewed by Division Managed Care QM staff. Based on analysis of the results, the MCO may be required to submit a corrective action plan to the Division. The Plan had timely submission of all required reporting.

4. The PIHP contract states in Attachment N the statistical reporting requirements for the PIHP with the annual measures due by July 31st of each calendar year of the contract. The PIHP had timely submission of required reporting.
5. Health Information systems requirements for the MCO are found in section 7.8 of the MCO contract. Utilization, provider and enrollee characteristics as specified by the Division are reported with the annual statistical report. Complaint, grievance and appeal data is submitted by the Plan to the Division on a quarterly basis. Involuntary disenrollments must be approved in advance by the Division after careful review of supporting information.
6. Health Information systems requirements for the PIHP are found in section 7.9 of the PIHP contract. Utilization, provider and enrollee characteristics as specified by the Division are reported with the annual statistical report. Complaint, grievance and appeal data is submitted by the Plan to the Division on a quarterly basis.

***Please see the MCO contract at**

[Http://www.dhhs.state.nc.us/dma/mc/Finalmco.pdf](http://www.dhhs.state.nc.us/dma/mc/Finalmco.pdf)

***Please see Attachment VII- Piedmont Behavioral Healthcare Contract**

VII. State Monitoring and Evaluation

The State reviews the data submitted by the MCO and by the PIHP and provides feedback to each entity in Quarterly QM meetings and by written communication. The State works collaboratively with both Plans to determine topics for Performance Improvement Projects for the upcoming year based on a comparison of State and Plan-generated HEDIS measures. The State participated in EQRO site visits to the MCO and to the PIHP in an oversight capacity in August 2005.

A. Arrangements for External Quality Reviews

1. The State awarded the current EQRO contract to Michigan Peer Review Organization (MPRO) effective April 1, 2005.
2. The State conducted the 3rd mandatory activity for MCO compliance with managed care regulations with permission from CMS in 4th quarter 2004. The current EQR (MPRO) completed verification of DMA's review findings and submitted a Compliance Validation Report dated June 30, 2005 approving the compliance review findings.

3. MPRO conducted an EQR site visit to the MCO August 23 and 24, 2005 for Performance Improvement Project and Performance Measure Validation. The MCO responded to the report findings and submitted their corrective action plan (CAP). MPRO subsequently approved the CAP submitted by the MCO, and the notification letter was sent to the Plan on November 30, 2005.

*** See Attachment V – EQRO letter regarding MCO CAP for PIP’s and Performance Measures**

4. MPRO has completed the EQR 2005 Encounter Data Validation review and report. The MCO will review and submit a corrective action plan by December 12, 2005.
5. MPRO has completed the MCO 2004 Financial Analysis and the MCO has submitted their corrective action plan. After reviewing the additional financial data from the MCO, MPRO has recommended acceptance of the CAP.
6. MPRO conducted an EQR site visit to the PIHP on August 25, 2005 for the Compliance Determination review – 3rd Mandatory activity. Piedmont submitted their plan of correction for MPRO review. MPRO determined that the Plan continued to be out of compliance with Regulation 438.214 Provider Selection and 438.236 Practice Guidelines; and was in partial compliance with regulation 438.240 Quality Assessment and Performance Improvement Program until a performance improvement project for 2006 is selected. The PIHP has been asked to submit a follow up corrective action plan to MPRO by January 15, 2006.

*** See Attachment VI – EQRO letter regarding PIHP CAP for the 2005 Compliance Determination**

7. MPRO submitted the Annual Technical Report to the State on October 31, 2005. The report was sent to both the MCO and PIHP for comment. See attachment I – EQRO Annual Technical Report.
8. The ATR report will be used to evaluate the effectiveness of the State’s quality strategy in the upcoming year.

VIII. Procedures for Race, Ethnicity, and Primary Language

- A. The State is identifying the race, ethnicity and primary language of each Medicaid MCO/PIHP enrollee at the time of application at the DSS. The caseworker is entering the data into the Eligibility Information System (EIS) as instructed by the State. This information will be downloaded into the MMIS+ and DRIVE data systems and has been placed on the monthly MCO/PIHP enrollment reports.
- B. Race is often not reported by the Social Security Administration for SSI recipients, therefore, we are coding the EIS as unreported when SSA sends us “unknown” as the race indication.

IX. National Performance Measures and Level

The State has incorporated performance benchmarks for the MCO in their contract. The benchmarks have been based on the NCQA HEDIS performance benchmarks for selected HEDIS measures, the MCO's self-reported data on specific State measures, and the benchmarks contained in the present contract. The State has accepted the MCO's HEDIS data report for CY 2004 and is working with the Plan to address the identified performance concerns. Future MCO contracts will include a performance guarantee payment at contract initiation with annual pay backs for performance at or above the stated benchmarks.

As the PIHP has more service experience and time to collect performance data, the State will address the development of performance benchmarks for them.

X. Intermediate Sanctions

The State describes the use of intermediate sanctions in support of its quality strategy in section 14.5 of the MCO contract.

The PIHP contract section 13.2 addresses intermediate sanctions.

ATTACHMENT I

**EXTERNAL QUALITY REVIEW ANNUAL
TECHNICAL REPORT FOR 2005**

ATTACHMENT II

PIHP's PERFORMANCE IMPROVEMENT PROJECTS

ATTACHMENT III

EXTERNAL QUALITY REVIEW ORGANIZATION RFP

ATTACHMENT IV

**EXAMPLES OF MCO PLAN MOBILIZATION AND
QUARTERLY MCO AND PIHP QM MEETINGS -
AGENDA AND MINUTES**

ATTACHMENT V

**EQRO LETTER REGARDING
MCO CAP for PIP's and PERFORMANCE MEASURES**

ATTACHMENT VI

**EQRO LETTER REGARDING
PIHP CAP for 2005 COMPLIANCE REVIEW**

ATTACHMENT VII

PIEDMONT BEHAVIORIAL HEALTHCARE CONTRACT